Canadian Pacific Investments Limited

Annual Report 1975

Contents

Notice of Annual Meeting of Shareholders

The Annual Meeting of the Shareholders of Canadian Pacific Investments Limited will be held on Thursday, April 29th, 1976, at Le Château Champlain, Place du Canada, Montreal, Quebec at 11:00 A.M. (daylight saving time, if operative), for the following purposes:

a. to receive the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon, for the year ended December 31st, 1975;

b. to elect directors;

c. to appoint the auditors and to authorize the Board of Directors to fix their remuneration; and

d. to transact such other business as may properly come before the meeting.

The Board of Directors has by resolution fixed the time, before which proxies to be used at the annual meeting or any adjournments thereof must be deposited at Montreal, Quebec, with the Company or the Montreal Trust Company as Agent for the Company, at twenty-four hours, excluding Saturdays and holidays, preceding the annual meeting or any adjournments thereof.

By order of the Board,
G. S. MacLean, Secretary.

Montreal, March 4th, 1976.

Transfer Agent and Registrar

Montreal Trust Company, Montreal, Toronto, Winnipeg, Regina, Calgary and Vancouver

Stock Listings

Common Shares:
Montreal, Toronto and Vancouver Stock Exchanges

Preferred Shares, Series A:
Montreal, Toronto and Vancouver Stock Exchanges

Si vous désirez vous procurer la version française du présent rapport, veuillez vous adresser au secrétaire, Investissements Canadien Pacifique Limitée, C.P. 6042, succursale A, Montréal, P.Q. H3C 3E4

Canadian Pacific Investments Limited

Directors

*†W. A. Arbuckle,
Chairman of the Company,
Celanese Canada Limited,
Montreal

*F. S. Burbidge,
President,
Canadian Pacific Limited, Montreal

F. E. Burnet,
Chairman and Chief Executive Officer,
Cominco Ltd., Vancouver

*†A. M. Campbell,
Chairman,
Sun Life Assurance Company of Canada,
Montreal

Robert W. Campbell,
Chairman of the Board and Chief Executive Officer,
PanCanadian Petroleum Limited,
Calgary

Dr. John Macnamara,
President and Chief Operating Officer,
The Algoma Steel Corporation, Limited,
Sault Ste. Marie

Angus A. MacNaughton,
President,
Genstar Limited, Montreal

*W. Moodie,
President,
Canadian Pacific Investments Limited,
Montreal

†S. E. Nixon,
Corporate Director and Financial Consultant,
Montreal

*Paul L. Paré,
President and Chief Executive Officer,
Imasco Limited, Montreal

†H. M. Pickard,
Chairman and Chief Executive Officer,
Marathon Realty Company Limited,
Calgary

*Ian D. Sinclair,
Chairman and Chief Executive Officer,
Canadian Pacific Limited, Montreal

R. D. Southern,
President and Chief Executive Officer,
ATCO Industries Limited, Calgary

W. J. Stenason,
Executive Vice-President,
Canadian Pacific Investments Limited,
Montreal

*Member of Executive Committee

†Member of Audit Committee

Officers

Ian D. Sinclair,
Chairman and Chief Executive Officer,
Montreal

W. Moodie,
President,
Montreal

W. J. Stenason,
Executive Vice-President,
Montreal

P. A. Nepveu,
Vice-President Finance and Accounting,
Montreal

G. S. MacLean,
Secretary,
Montreal

D. E. Sloan,
Treasurer,
Montreal

To the Shareholders

The diversified nature of the Company was a key factor in its achievement of record earnings in 1975, a year of worldwide economic recession and of uncertainties fed by continuing high inflation.

Earnings and dividends, compared with 1974, were:

	1975	1974
Net income (millions)	$142.0	$130.6
Per Common share		
Net income	$2.41	$2.29
Dividends	0.62	0.62

On a fully diluted basis, which assumes that all the outstanding Preferred shares are converted, 1975 earnings per Common share amounted to $2.34.

Dividends on the Common stock were frozen at 1974 levels, as required by the Canadian Government's anti-inflation guidelines. During the year 687,598 Common shares were issued on conversion of Preferred shares.

The major sources of earnings growth in 1975 were oil and gas, coal mining, and real estate activities and the consolidation for a full year of income of The Algoma Steel Corporation, Limited. Income from both metal mining and logging was lower, due mainly to weakened markets, while a drop in earnings from pulp and paper reflected the long strike in that industry. Results of hotels were adversely affected by the general weakness in the economy. More than half of a decline in investment income was attributable to the write-off of costs of the Company's participation in groups planning gas pipelines from the Arctic.

The Canadian Government's anti-inflation program, announced in mid-October, has injected an additional factor of uncertainty into the always difficult task of making sound business decisions. However, even the most adamant critics of the program are bound to hope that it will achieve some reduction in the rate of inflation. Regulations under the program are exceedingly complex and it is not easy to assess their effects, apart from the certainty that they will impose an exceptionally heavy burden of record keeping and reporting.

A bill passed in the Saskatchewan legislature in January 1976 empowers the government of that province to expropriate part or all of the potash industry in Saskatchewan. This action may have harmful effects on investment in resource industries.

Although the long-awaited economic recovery seems now to be under way, indications are that the pace of improvement will be slow. It also seems likely that while the rate of inflation may abate somewhat, inflation will continue to be a major problem.

The Company's earnings are heavily influenced by world prices of certain commodities and the present outlook is that any upward movement in these is likely to reflect attempts by producers to recover cost increases rather than strongly surging demand. In 1976 oil and gas earnings and income from real estate are expected to show major increases. There should also be improvement in the forest products group, as log and lumber prices respond to recovery in housing in the U.S. and as pulp and paper operations return to normal again after the strike. Although prospects could brighten as the year progresses, present market conditions for steel, base metals and fertilizers suggest the possibility that it may be difficult to maintain earnings from those sources at 1975 levels.

Every company in the CP Investments group has expansion or improvement programs under way or in an advanced planning stage. The Company is confident that these new or improved plants and facilities will make an important contribution to meeting the increases in demand that will accompany a resumption of stronger economic growth.

Pursuant to an offer it made early in 1976, the Company purchased 5,454,275 common shares, equal to 67.6% of the outstanding stock, of Steep Rock Iron Mines Limited, at a price of $3.00 per share. In addition to the mine now in operation, Steep Rock owns an 8,400-acre property in the Lake St. Joseph area of northern Ontario, which property it is seeking to bring into production.

It is a pleasure for the Directors to thank officers and employees in every area of the Company's activities for their efforts which resulted in the many accomplishments of 1975.

For the Directors,

President

Chairman and Chief Executive Officer

Montreal, March 4, 1976.

Oil and Gas

PanCanadian Petroleum Limited

PanCanadian had another successful year, marked by higher earnings and a vigorously pursued program of exploration and development.

Prices of both oil and gas were up during the year. The effect of the crude oil price rise was largely offset by a 16% drop in oil production, reflecting mainly limitations on exports to the United States. Gas production was little changed. The natural gas liquids extraction plant at Empress, Alberta, in which plant PanCanadian owns a 50% interest, had a good year.

Exploration activities were carried on in the major prospective areas of Canada and also in the United States, Iran, Indonesia, Greenland and the North Sea. In Canada, exploration was conducted in the Southern Plains and Foothills regions of Alberta, on the East Coast, and in the frontier regions of the Mackenzie Delta. Important gas discoveries were made in Alberta, west of Edmonton, in the Foothills west of Calgary, and in the Southern Plains.

In the United States, PanCanadian and partners have already discovered gas in one well and are drilling another on approximately 46,000 acres purchased in the Gulf of Mexico, offshore Texas. Six more wells are planned for 1976. Drilling for gas in Wyoming also yielded some positive results. Geophysical and preliminary seismic work was done in Utah and on acreage acquired in the North Sacramento Valley of California.

Exploration continued and drilling of the first well commenced on the Lar Block in southwest Iran. In Greenland, seismic work was completed on the two blocks of concessions acquired there. During the year the company participated in the drilling of three commitment wells, one in Indonesia and two in the North Sea.

Drilling of the shallow gas reserves near Medicine Hat, which has been going on for the past three years, was finished during the year and construction of related production facilities is nearing completion. Commencement of gas sales from this project, expected early in 1976, will boost gas production significantly.

In December, PanCanadian increased to 100% its ownership in the proposed Brooks ammonia plant.

Comparative year-end figures of the company's net proven and probable reserves were as follows:

	1975	1974
Crude oil and natural gas liquids—million barrels	185.9	194.5
Natural gas—billion cubic feet	2,384	2,298
Sulphur—million long tons	4.8	4.1

The market value of the Company's holding in PanCanadian, representing an 87.1% interest, was $435.1 million at the end of 1975, based on the closing market price of $16 per share.

Panarctic Oils Ltd.

During the year Panarctic Oils Ltd. continued its exploration program in the Canadian Arctic Islands with the drilling of thirteen wells. These further delineated the Drake Point and Hecla gas fields and encountered what may be a significant find of crude oil at Bent Horn on Cameron Island.

Canadian Pacific Investments holds a 12.6% net interest in Panarctic through two of its subsidiaries, PanCanadian Petroleum and Cominco.

Mines and Minerals

Cominco Ltd.

The Company's net income from Cominco, after minority interests, amounted to $39.7 million in 1975 compared with $46.6 million in 1974. The decrease in earnings was largely attributable to reduced sales of lead and zinc in response to poor demand. Although the price of zinc remained firm until the end of 1975, the world price of lead declined sharply during the first half of the year but recovered somewhat during the second half. It was a good year for fertilizers, despite a general softening in the market for phosphates in the latter half. Potash production was at a satisfactory level, but the return on invested capital was unsatisfactory due to the higher mineral and other taxes and royalties imposed by the Government of Saskatchewan in 1974, and their non-deductibility for federal income tax determination.

Record sales and earnings were achieved by Cominco's wholly-owned U.S. subsidiary, Cominco American Incorporated, which mines lead and produces fertilizers and electronic materials. The Black Angel Mine in Greenland, in which Cominco has a 63% interest, had another successful year. Pine Point Mines Limited, owned 69% by Cominco, operated at capacity throughout the year, but earnings were lower. This was attributable to somewhat lower ore grades, softer markets and higher labour and material costs.

Construction continued during the year on the company's ammonia-urea complex in Alberta which is scheduled for completion by the end of 1976. In Northern Spain excellent progress was made on the Rubiales zinc-lead project. This mine and mill are expected to commence operation in late 1976. In Tasmania, good progress was made on development of the Que River zinc-lead deposit.

Cominco's worldwide exploration continued at a high level with active programs in the Northwest Territories of Canada, in the United States, including Alaska, and in Greenland, Spain and elsewhere where local political and geological conditions are encouraging.

At the end of 1975 the market value of the Company's holding of Cominco shares, representing a 54% interest, was $316.2 million, based on the closing market price of $34½.

Fording Coal Limited

Fording Coal had earnings of $17.7 million in 1975, compared with $1.2 million in 1974. Of these, 60%, amounting to $10.6 million in 1975, was taken up directly by the Company and the other 40% by Cominco. In addition, the Company received ownership payments from Fording of $2.9 million, compared with $895,000 in 1974.

The improvement in earnings reflected a higher price for coal, effective April 1, 1975, and better operating performance due to additional mine equipment and plant modifications. Coal sales totalled 2.7 million long tons for the year, compared with 2.0 million tons in 1974.

CanPac Minerals Limited

The Company's net income from CanPac Minerals, including its equity in Cominco's 40% share, amounted to $768,000 compared with $610,000 in 1974.

In November, a joint application was made by CanPac Minerals and Calgary Power Ltd. to the Energy Resources Conservation Board of Alberta for approval to construct and operate a coal mine and an associated coal-powered electricity generating plant southeast of Edmonton, Alberta. CanPac Minerals, although not involved in the ownership or operation of the electricity generating plant, holds approximately 53% of the coal rights to be developed and will be the mine operator.

Forest Products

The Great Lakes Paper Company, Limited

After minority interest, the Company's net income from Great Lakes Paper, included in net income from forest products, amounted to $3.6 million in 1975 compared with $8.2 million in 1974. The decline was due to a strike by mill workers that shut down the entire operation early in September and was not settled until February 1976.

Pulp and paper shipments of 377,000 tons were down from 524,000 tons in 1974 because of the strike. Building products shipments were higher in 1975, despite the shutdown, because of completion during the first quarter of the expansion of stud lumber capacity and new waferboard facilities.

Construction of Great Lakes' new 250,000 ton-per-year kraft pulp mill, the final phase of its expansion program, made good progress in spite of labour disruptions. Because of a 12-week construction strike and interruptions due to the mill workers' strike, construction will not be completed until the latter part of 1976. The new mill will utilize an innovative "closed system" for recycling water and effectively controlling pollution.

The purchase of an additional 4,600 common shares in 1975 increased the Company's interest to 55.6% of the voting stock of Great Lakes Paper at year end. This holding had a market value of $41.6 million based on the 1975 closing price of $20¾ per share.

Pacific Logging Company Limited

1975 was a difficult year for Pacific Logging, which incurred a loss of $1.8 million compared with net income of $3.8 million in 1974.

Prices for logs and lumber remained at the unprofitable levels of late 1974, while production costs were driven up by wage increases and governmental constraints. Log production during the year, at 155 million board feet, was down more than 25%, reflecting severe weather conditions, labour disruptions and weak markets.

With a view to improving efficiency and reducing unit costs, construction of a second production line commenced at the Saltair lumber mill on Vancouver Island. Scheduled for completion in mid-1976, the new line will more than double Saltair's production capacity. During the year Pacific Logging acquired all the outstanding shares of Chemainus Towing Company and subsidiary companies, which enables it to meet most of its own log sorting and storing needs and local towing requirements.

Iron and Steel

The Algoma Steel Corporation, Limited

The Company's earnings from Algoma Steel in 1975 showed an increase because the acquisition of the majority interest in Algoma in July 1974 resulted in the consolidation of its results for the full year 1975.

Earnings of Algoma for the year were less than in 1974 as a result of both lower production and shipments and substantially higher costs. Delayed start-up of new facilities and initial operating problems restricted steel production throughout most of the first three quarters of the year, and in the fourth quarter markets weakened significantly. In addition, a series of strikes at different times during the year closed down the steelworks, certain iron ore operations and coal mines for varying periods and interrupted transportation of raw materials and of finished products.

Sales of steel products were higher as a result of favourable product mix and better selling prices. However, profit margins were down because unfavourable market conditions kept price increases lower than was necessary to recover rapidly escalating production costs. Costs of coal and coke rose 52% and iron ore 25%.

Dominion Bridge Company, Limited, in which Algoma has a 43% interest, contributed $12.4 million to Algoma's earnings in 1975, compared with $9.4 million in the previous year. During 1975 Canadian Pacific Investments purchased 102,100 shares of Dominion Bridge, giving it a direct interest of 2%.

Development and exploration work is proceeding on coal and iron ore properties which Algoma has under lease or option to safeguard supplies of these raw materials for the future. The company is also constantly improving its production techniques and continuing investigations into ways of reducing air and water pollution.

Algoma increased its share of total Canadian steel mill shipments in 1975, and in 1976, because of its new facilities, will be able to improve service to customers and to supply greater tonnage of sheet and plate products.

In 1975 the Company purchased an additional 55,379 shares of Algoma Steel to bring its total holding to 51% of the issued stock. The market value of this holding was $142.9 million at the end of the year, based on the closing market price of $24 per share.

Real Estate

Marathon Realty Company Limited achieved record net income in 1975 as a result of higher returns from existing properties and additional earnings provided by recently completed projects across the country.

In Vancouver, nearly three-quarters of the 118 condominium units in Phase II of the Arbutus Village development had been sold by year end. Gaslight Square, a distinctive, smaller retail project developed by an affiliated company, opened during the summer and is almost fully leased. An agreement to purchase a 75% interest in Village Green Mall in Vernon, B.C., was concluded which will extend Marathon's already significant interests in shopping centres in British Columbia. Development of Marathon's land in the False Creek area of Vancouver has been brought closer by the agreement reached with Canadian Pacific Limited for relocation of certain transportation and service facilities to one of Marathon's recently established industrial parks.

Two industrial buildings in Alberta, delayed by lengthy construction strikes, were completed during the year and two more are expected to be opened by the Spring of 1976.

In downtown Peterborough, Ontario, the Peterborough Square redevelopment project was opened in May. Comprising an enclosed shopping mall, an office building and a hotel, the project has been so well received that plans for a second phase are being prepared and construction is expected to start by mid-1976.

Three multi-tenant buildings and a 72-acre industrial park in the Toronto suburb of Scarborough were opened during the year and a fourth building is under construction. More than half the land area of the industrial park has already been taken up.

A 15-storey office building in downtown Montreal was completed in the latter part of the year and is fully leased. CP Telecommunications is a major tenant in the building. In Summerlea Industrial Park, in suburban Montreal, the second multi-tenant warehouse was completed and leased and construction of a third is under way.

Late in 1975 Marathon increased its holdings in Marathon Aviation Terminals Limited to acquire the controlling interest in that company, which specializes in the development and ownership of aviation-related facilities. An affiliated company of Marathon Aviation Terminals has recently developed and leased an air cargo handling complex at Montreal's Mirabel International Airport.

Hotels and Food Services

The year 1975 was generally unfavourable for the hospitality industry. The combination of recession and inflation led to declines in business travel and in convention and tourist business. Earnings of Canadian Pacific Hotels Limited, at $3.3 million, were down $1.2 million from 1974.

The company continued to expand during the year, in pursuing its long-term goal of improving performance by creating a broader earnings base both domestically and internationally. In February, it leased the Hamburg Plaza Hotel in West Germany and in May took over management of the Jerusalem Plaza in Israel. In October, it opened a new Red Oak Inn in Peterborough and the latest Chateau Flight Kitchen, at Montreal's Mirabel International Airport. In the same month the company purchased the Niagara International Centre Limited in Niagara Falls, Ontario. CP Hotels has operated the food and beverage facilities in this integrated retail and amusement complex since 1965. In December, the company opened the Village Station Restaurant at Leaside, Ontario, the first of a possible chain of restaurants in converted railway stations.

The major restoration program at Le Château Frontenac in Quebec City continued on schedule, with additional food and beverage service areas, guest rooms and shops having been completed during 1975. Construction began on the hotel at Mirabel International Airport and is expected to be completed early in 1977. An agreement has been signed with Talbot Square Limited for construction of a luxury hotel in London, Ontario.

The Canadian Pacific Frankfurt Plaza Hotel in West Germany, a leased property, is expected to open late in 1976 and at approximately the same time CP Hotels will commence management of the food services in the Royal Bank Plaza in Toronto, Ontario.

Finance

CanPac Leasing Limited

Growth in the profit of CanPac Leasing from $501,000 in 1974 to $818,000 in 1975 reflected both a lower average cost of borrowed funds and a substantial increase in lease receivables. Of the total lease receivables, 70% represents leases to companies outside the Canadian Pacific group.

CanPac Leasing expanded its services during the year with the establishment of a Rail Equipment Division to provide freight cars to shippers and railways under operating leases.

Canadian Pacific Securities Limited

Borrowings of Canadian Pacific Securities to provide financing for various companies in the CP Investments group and for money market operations increased during 1975 by $97.9 million. Of this amount approximately $95 million was in short-term Promissory Notes. Late in the year arrangements were completed for borrowing $35 million in the Euro-Canadian dollar market through an issue of 9¾% Guaranteed Notes maturing in six years.

Other Operations

CanPac AgriProducts Limited

During 1975 the name of CanPac Waste Disposal Systems Limited was changed to CanPac AgriProducts Limited to describe more accurately the field of the company's activities.

Markets for animal feed, the principal product of Rothsay Concentrates Co. Limited, a wholly-owned subsidiary, reflected the worldwide depression in protein prices in 1975. Some improvement is expected in 1976.

Commandant Properties, Limited

The forest activities of Commandant were sharply curtailed in 1975 because of poor markets for pulpwood and sawlogs. In 1976 the company is embarking on a real estate development plan through construction, initially, of a small number of detached houses, condominiums and cottages for resale on its property at Montebello, Quebec.

Investment Income

Net investment income was $11.8 million lower than in 1974. The decrease was due mainly to a write-off of $6.2 million of expenditures in respect of Canadian Arctic Gas Study Limited and the Polar Gas Project, to suspension of dividends from MacMillan Bloedel and to the removal of Algoma Steel from the portfolio on consolidation of that company's results from mid-1974. These declines were partially offset by increased dividends from TransCanada PipeLines Limited and reduced interest expense due to the substitution of income debentures for bank loans.

The major portfolio transaction during the year was the exercise of rights to purchase 121,087 shares of Rio Algom Limited.

Stock Holdings

At the year end 58,727,380 Common shares were outstanding. Of these, 50,000,000 were owned by Canadian Pacific Limited and the remainder by 11,441 shareholders of whom 98.1% were Canadian registrants. At December 31, 1975, there were 8,739 registered shareholders of the Preferred shares, Series A, of whom 97.4% were Canadian registrants.

Summary of Significant Accounting Policies

Consolidation

The consolidated financial statements of Canadian Pacific Investments Limited (CPI) include the accounts of all subsidiary companies. The principal subsidiaries, classified by line of business, are as follows:

		Percentage Ownership
Oil and gas	PanCanadian Petroleum Limited	87.10%
Mines and minerals	Cominco Ltd.	53.96%
	Fording Coal Limited	60% CPI and 40% Cominco
	CanPac Minerals Limited	60% CPI and 40% Cominco
Forest products	Pacific Logging Company Limited	100%
	The Great Lakes Paper Company, Limited	55.55%
Iron and steel	The Algoma Steel Corporation, Limited	51.03%
Real estate	Marathon Realty Company Limited	100%
Hotels and food services	Canadian Pacific Hotels Limited	100%
Finance	Canadian Pacific Securities Limited	100%
	CanPac Leasing Limited	100%
Other operations	CanPac AgriProducts Limited	100%
	Commandant Properties, Limited (acquired January 1, 1975)	100%

The financial statements of Algoma Steel were consolidated with those of CPI with effect from the beginning of July, 1974 when it became a subsidiary.

Algoma Steel has a 43.33% interest and CPI a 1.92% interest in Dominion Bridge Company, Limited, which is accounted for by the equity method. The equity in net income of Dominion Bridge is included in sales and operating revenue of Iron and Steel.

With the exception of interest (amounting to $16,355,000 in 1975 and $13,026,000 in 1974), there are no significant intercompany charges within the CPI group of companies. In the statement of consolidated income, in order to present fairly the results by activity, these interest charges have not been eliminated. CPI's net income is not affected by this practice.

Foreign exchange

Current assets and current liabilities have been translated from foreign currencies into Canadian dollars at current rates. Fixed assets and accumulated depreciation and long term debt have been translated at historical rates. Revenues and expenses (except depreciation, which is translated at historical rates) have been translated at average rates in effect during the year. Gains or losses on exchange are included in income.

Inventories

Raw materials and products of mining operations are valued generally at the lower of cost (determined on the monthly average method) and net realizable value. Stores and materials are valued at cost less appropriate allowances for obsolescence.

Finished products and work in process of iron and steel operations are valued at the lower of cost and net realizable value. Raw materials and supplies are valued at the lower of cost and replacement cost.

Other inventories (principally related to forest product operations) are valued at the lower of cost (generally average cost) and net realizable value.

Lease revenue

The excess of aggregate rentals less lease acquisition costs over the cost of leased assets is recorded as income over the term of the lease in decreasing amounts pro rata to the declining balance of the investment not yet recovered. All leases are fully funded and gains arising from residual values of leased assets are reflected in earnings only when realized.

Accounting for oil and gas properties

The full cost method of accounting is followed for oil and gas properties, whereby all costs related to the exploration for and the development of oil and gas reserves are capitalized. Such costs are depleted by the unit of production method based on estimated proven oil and gas reserves.

Accounting for mining properties

Expenditures on general mineral exploration are charged to earnings as incurred. Expenditures incurred in the investigation of identified properties and in the development of mines are capitalized.

Capitalized expenditures, together with the costs of certain investments in mining companies, are amortized against earnings by charges for depletion based on the mineral resources position.

Accounting for iron and steel properties

Depreciation of manufacturing plant and equipment is provided on the straight-line basis at rates intended to write off these assets over their estimated economic lives. Mining equipment and mine development costs are amortized on a unit of production basis over the estimated recoverable iron ore and coal reserves.

Expenditures on exploration for, investigation of, and holding, raw material properties are charged to earnings as incurred. Interest incurred on funds borrowed directly to finance the development of new raw material properties is capitalized during the period of construction and initial development. Such interest is included in the charge to earnings for depreciation and amortization when production commences in commercial quantities.

Accounting for real estate properties

Land is carried at cost. Development costs and carrying costs, net of incidental revenue, are capitalized for land currently being developed or on which development is expected within five years, providing the book value of the land does not exceed market value. Carrying costs of all other land are included in operations.

Buildings and construction in progress are carried at cost, including interest during construction, pre-completion operating costs less any revenue, and other direct development expenses.

The sinking fund method of providing for depreciation is used for major real estate developments. The sinking fund method will write off the cost of the buildings over a maximum period of 40 years in a series of annual instalments increasing at the rate of 5% compounded annually. Under this method depreciation charged to income in later years will be substantially higher than the amount charged in earlier years.

Accounting for other properties

Depreciation and amortization of other properties are charged to earnings, generally on the straight-line basis, over the estimated economic lives of the facilities involved.

Interest on long term debt incurred to finance major expansion programs under forest products and hotels and food services is capitalized during the construction period.

Pensions

In addition to current service costs, charges to income include annual payments on account of past service liabilities. Such liabilities are being funded in equal annual instalments to 1989 and 1992.

Income taxes

The companies follow the tax allocation basis of accounting for income taxes, whereby tax provisions are based on accounting income and taxes relating to timing differences between accounting and taxable income are deferred.

Earnings per share

Earnings per common share are calculated using the weighted average number of shares outstanding during the year. Fully diluted earnings per share are calculated on the assumption that all preferred shares are converted at the beginning of the year.

Statement of Consolidated Income

	For the Year ended December 31	1975	1974
		(in thousands)	
Oil and Gas	Gross operating revenue	**$159,590**	$130,572
	Expenses including income taxes	**90,927**	84,329
		68,663	46,243
	Interest of outside shareholders	**8,858**	5,926
	Net income	**59,805**	40,317
Mines and Minerals	Gross operating revenue	**892,954**	860,802
	Expenses including income taxes	**792,659**	754,330
		100,295	106,472
	Interest of outside shareholders	**46,476**	57,749
	Net income	**53,819**	48,723
Forest Products	Sales and operating revenue	**128,917**	153,598
	Expenses including income taxes	**124,288**	134,820
		4,629	18,778
	Interest of outside shareholders	**2,857**	6,709
	Net income	**1,772**	12,069
Iron and Steel	Sales and operating revenue	**558,914**	253,138
	Expenses including income taxes	**515,962**	225,108
		42,952	28,030
	Interest of outside shareholders	**21,097**	13,858
	Net income	**21,855**	14,172
Real Estate	Gross rentals and other income	**59,607**	50,694
	Expenses including income taxes	**51,927**	45,112
		7,680	5,582
	Interest of outside shareholders	**18**	—
	Net income	**7,662**	5,582
Hotels and Food Services	Gross operating revenue	**105,976**	86,129
	Expenses including income taxes	**102,646**	81,622
	Net income	**3,330**	4,507
Finance	Gross operating revenue	**38,381**	30,799
	Expenses including income taxes	**37,007**	30,019
	Net income	**1,374**	780
Other Operations	Gross operating revenue	**10,348**	599
	Expenses including income taxes	**10,757**	641
	Net income	**(409)**	(42)
Investment Income	Gross income	**10,237**	13,077
	Expenses including income taxes	**17,470**	8,548
	Net income	**(7,233)**	4,529
	Net Income	**$141,975**	$130,637
Earnings per Common Share	Net income	**$2.41**	$2.29
Fully Diluted Earnings per Common Share	Net income	**2.34**	

See Summary of Significant Accounting Policies, Other Financial Information and Notes to Consolidated Financial Statements.

Statement of Consolidated Retained Income

	For the Year ended December 31	1975	1974
		(in thousands)	
	Balance, January 1	**$298,915**	$206,001
Add:	Net income for the year	**141,975**	130,637
		440,890	336,638
Deduct:	Dividends		
	4¾% Preferred shares	**1,163**	2,082
	Common shares (per share—1975 - 62¢; 1974 - 62¢)	**36,315**	35,641
		37,478	37,723
	Balance, December 31	**$403,412**	$298,915

Statement of Changes in Consolidated Financial Position

	For the Year ended December 31	1975	1974
		(in thousands)	
Source of Funds	Net income for the year	**$141,975**	$130,637
	Add/(Deduct)		
	Depreciation, depletion and amortization	**127,407**	110,944
	Deferred income taxes	**45,490**	33,951
	Equity in net earnings of associated company	**(12,574)**	(4,352)
	Dividends from associated company	**3,949**	1,379
	Outside shareholders' interest in income of subsidiaries	**79,306**	84,242
	Funds from operations	**385,553**	356,801
	Sales of investments	**6,443**	6,177
	Capital stock issued	**—**	10,694
	Issuance of long term debt	**423,662**	228,995
	Proceeds from disposal of properties	**8,259**	3,182
	Working capital of subsidiaries acquired and consolidated	**—**	69,942
	Sundries (net)	**3,326**	(11,140)
		$827,243	$664,651
Application of Funds	Additions to properties	**$500,887**	$313,172
	Additions to investment portfolio	**3,485**	9,995
	Additions to other investments	**6,975**	34,608
	Additions to lease receivables (net)	**21,114**	23,188
	Investment in subsidiaries acquired and consolidated	**—**	96,353
	Reduction in long term debt	**178,248**	97,925
	Dividends declared	**37,478**	37,723
	Dividends paid outside shareholders of subsidiaries	**41,610**	39,774
	Increase in working capital	**37,446**	11,913
		$827,243	$664,651

See Summary of Significant Accounting Policies, Other Financial Information and Notes to Consolidated Financial Statements.

Canadian Pacific Investments Limited

Consolidated Balance Sheet

Assets

	December 31	1975	1974
		(in thousands)	
Current Assets	Cash and temporary investments, at cost (approximates market)	**$ 249,395**	$ 144,788
	Deposits and demand loans (interest bearing)— Canadian Pacific Limited and subsidiaries	**67,606**	107,916
	Dividends and other accrued interest receivable	**4,691**	4,573
	Accounts receivable	**258,090**	209,224
	Inventories	**339,491**	250,683
	Prepaid expenses	**15,754**	13,866
		935,027	731,050
Receivables under Leases	Amount due under lease agreements after one year	**99,892**	70,669
	Less: Deferred income	**26,882**	18,773
		73,010	51,896
Investments	Portfolio, at cost (market value $186,934,000; 1974—$165,365,000)	**217,990**	220,948
	Other	**165,201**	152,058
		383,191	373,006
Properties, at cost	Oil and gas	**484,526**	401,849
	Mines and minerals	**873,729**	775,967
	Forest products	**408,377**	321,887
	Iron and steel	**857,524**	761,013
	Real estate	**278,785**	223,896
	Hotels and food services	**132,611**	105,458
	Other operations	**10,117**	5,939
		3,045,669	2,596,009
	Less: Accumulated depreciation, depletion and amortization	**987,219**	898,313
		2,058,450	1,697,696
Other Assets and Deferred Charges		**60,885**	53,091
		$3,510,563	$2,906,739

Auditors' Report to the Shareholders of Canadian Pacific Investments Limited:

We have examined the consolidated balance sheet of Canadian Pacific Investments Limited and subsidiary companies as at December 31, 1975 and the statements of consolidated income, consolidated retained income and changes in consolidated financial position for the year then ended. Our examination of the financial statements of Canadian Pacific Investments Limited and those subsidiaries of which we are the auditors included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have relied upon the reports of the auditors who have examined the financial statements of the other subsidiaries, which include Cominco Ltd., The Algoma Steel Corporation, Limited and The Great Lakes Paper Company, Limited.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1975 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Price Waterhouse & Co.,
Chartered Accountants,
Montreal, Quebec, March 3, 1976.

See Summary of Significant Accounting Policies, Other Financial Information and Notes to Consolidated Financial Statements.

Consolidated Balance Sheet — Liabilities

	December 31	1975	1974
		(in thousands)	
Current Liabilities	Bank loans	**$ 102,614**	$ 43,737
	Accounts payable and accrued charges—		
	Canadian Pacific Limited	**4,384**	10,248
	Other	**259,348**	212,243
	Notes and accrued interest payable	**273,269**	172,586
	Income and other taxes payable	**37,348**	96,248
	Dividends payable	**18,330**	19,622
	Long term debt maturing within one year	**122,420**	96,498
		817,713	651,182
Deferred Liabilities		**26,667**	21,483
Long Term Debt		**976,653**	731,239
Outside Shareholders' Interest in Subsidiary Companies	PanCanadian Petroleum Limited	**22,717**	17,322
	Cominco Ltd.	**233,048**	217,775
	The Great Lakes Paper Company, Limited	**26,561**	23,768
	The Algoma Steel Corporation, Limited	**188,605**	176,236
	Other	**391**	—
		471,322	435,101
Deferred Income Taxes		**300,252**	254,275
Shareholders' Equity	Capital stock		
	Preferred shares		
	Authorized—12,500,000 shares of a par value of $20 each		
	Issued —1,035,048 (1974—1,378,847)		
	4¾% Cumulative Redeemable		
	Convertible Voting, Series A	**20,701**	27,577
	Common shares		
	Authorized—100,000,000 shares without nominal or par value		
	Issued —58,727,380 (1974—58,039,782) shares	**412,043**	405,167
	Paid-in surplus	**81,800**	81,800
	Retained income	**403,412**	298,915
		917,956	813,459
		$3,510,563	$2,906,739

Approved on behalf of the Board:
Ian D. Sinclair, Director
W. Moodie, Director

Other Financial Information

Depreciation, Depletion and Amortization Charged to Expenses

	1975	1974
	(in thousands)	
Oil and gas	**$ 19,205**	$ 20,382
Mines and minerals	**57,343**	57,734
Forest products	**12,718**	10,847
Iron and steel	**29,837**	15,728
Real estate	**2,861**	2,298
Hotels and food services	**4,703**	3,904
Other operations	**740**	51
	$127,407	$110,944

The amount of depletion charged to income for the year 1975 was $27,270,000 (1974—$31,770,000) and the accumulated depletion at December 31, 1975 was $181,732,000.

Interest Expense

	1975	1974
	(in thousands)	
Interest on long term debt	**$ 84,501**	$ 58,525
Interest on short term debt	**23,335**	19,529
	$107,836	$ 78,054

Interest capitalized on funds borrowed to finance capital projects amounted to $10,592,000 (1974—$4,102,000).

Income Taxes

	1975	1974
	(in thousands)	
Oil and gas	**$ 33,587**	$ 27,347
Mines and minerals	**86,182**	93,720
Forest products	**3,582**	16,283
Iron and steel	**(9,559)**	5,173
Real estate	**4,613**	4,205
Hotels and food services	**2,838**	4,160
Finance	**1,250**	718
Other operations	**(68)**	22
Investment income	**13**	(62)
Total (including deferred income taxes of 1975—$45,490,000; 1974—$33,951,000)	**$122,438**	$151,566

Other Financial Information

Inventories

	1975	1974
	(in thousands)	
Oil and gas		
Product	**$ 3,371**	$ 1,749
Stores and materials	**3,076**	1,440
	6,447	3,189
Mines and minerals		
Raw materials and products	**122,918**	91,383
Stores and materials	**38,921**	32,785
	161,839	124,168
Forest products		
Raw materials and products	**22,919**	13,441
Stores and materials	**9,366**	7,069
	32,285	20,510
Iron and steel		
Raw materials and products	**114,580**	78,928
Stores and materials	**16,377**	14,871
	130,957	93,799
Real estate		
Condominiums held for sale	**2,014**	5,436
Stores and materials	**434**	—
	2,448	5,436
Hotels and food services		
Materials and supplies	**5,388**	3,351
Other operations		
Raw materials and products	**127**	230
	$339,491	$250,683

Investment Portfolio as at December 31, 1975

	Number of shares	Percentage of outstanding voting shares	Cost	Approximate market value
			(in thousands)	
Common Stocks				
Husky Oil Ltd.	354,000	3.65	$ 4,053	$ 6,284
MacMillan Bloedel Limited	2,849,600	13.40	82,560	50,951
MICC Investments Limited	410,500	7.19	1,880	4,002
Norcen Energy Resources Limited	358,200	1.62	5,015	3,313
Rio Algom Limited	1,331,956	9.88	30,823	38,960
TransCanada PipeLines Limited	4,501,457	14.21	52,703	48,976
Union Carbide Canada Limited	825,300	8.25	18,375	16,300
Other			7,342	6,363
			202,751	175,149
Preferred Stocks			7,424	4,611
Bonds, Debentures and Notes			7,815	7,174
			$217,990	$186,934

Other Investments

	1975	1974
	(in thousands)	
Dominion Bridge Company, Limited, at cost plus equity in undistributed net income	**$ 64,282**	$ 52,939
Others, at cost:		
Tara Exploration and Development Company Limited	**26,903**	26,877
Panarctic Oils Ltd.	**27,190**	20,615
Tilden Iron Ore Company	**18,725**	13,408
Other	**28,101**	38,219
	$165,201	$152,058

Other Financial Information

Properties and Accumulated Depreciation, Depletion and Amortization

	1975 (in thousands)			1974
	Cost	Accumulated depreciation, depletion and amortization	Net	Net
Oil and gas				
Equipment	$ 118,348	$ 36,268	$ 82,080	$ 49,125
Petroleum, natural gas and mineral properties	366,178	102,233	263,945	232,727
	484,526	138,501	346,025	281,852
Mines and minerals				
Land, buildings and equipment	672,884	245,157	427,727	358,939
Mining properties and development	200,845	74,010	126,835	115,066
	873,729	319,167	554,562	474,005
Forest products				
Land and improvements	3,210	—	3,210	2,650
Buildings and equipment	319,876	125,251	194,625	121,782
Timberlands, leases and licences	85,291	11,805	73,486	73,565
	408,377	137,056	271,321	197,997
Iron and steel				
Manufacturing plants	748,237	283,751	464,486	407,098
Raw material properties	109,287	56,206	53,081	40,759
	857,524	339,957	517,567	447,857
Real estate				
Land	67,346	—	67,346	54,967
Buildings	203,890	18,117	185,773	144,024
Construction in progress	7,549	—	7,549	12,374
	278,785	18,117	260,668	211,365
Hotels and food services				
Land	4,811	—	4,811	4,262
Buildings and equipment	127,800	32,014	95,786	75,934
	132,611	32,014	100,597	80,196
Other operations				
Buildings and equipment	10,117	2,407	7,710	4,424
	$3,045,669	$987,219	$2,058,450	$1,697,696

Long Term Debt

	1975 (in thousands)	1974
Canadian Pacific Investments Limited		
Promissory note due 1975	$ —	$ 14,511
Promissory note due 1977	—	10,000
6¼% Income Debentures due 1976	5,000	—
5¾% Income Debentures due 1976	16,000	—
7½% Income Debentures due 1979	12,700	26,000
7¼% Income Debentures due 1976-1979	40,900	1,000
6½% Income Debentures due 1977	13,000	—
6% Income Debentures due 1976-1979	15,800	—
Bank loan due 1976	—	18,000
Bank loan due 1978	5,000	—
The Algoma Steel Corporation, Limited		
5¼% Sinking Fund Debentures due 1978	11,660	12,172
7⅜% Sinking Fund Debentures due 1987	25,200	26,385
8¾% Sinking Fund Debentures due 1991	34,000	34,000
Carried forward	$179,260	$142,068

Other Financial Information

Long Term Debt
(continued)

	1975	1974
	(in thousands)	
Brought forward	**$ 179,260**	$142,068
The Algoma Steel Corporation, Limited (continued)		
10⅜% Sinking Fund Debentures due 1994	**50,000**	50,000
11% Sinking Fund Debentures due 1995	**65,000**	—
8½% Series A notes due 1991	**22,000**	16,500
Short term—convertible into term loans to 1977	**50,000**	25,000
Other	**5,452**	4,653
Canadian Pacific Hotels Limited		
8⅝% First Mortgage Sinking Fund Bonds, Series A due 1992	**20,000**	20,000
11⅜% First Mortgage Sinking Fund Bonds, Series B due 1995	**30,000**	—
Sundry—due 1976-1985	**13,543**	5,603
Canadian Pacific Securities Limited		
7% bank loan due 1979	**25,000**	25,000
9½% Sinking Fund Debentures due 1990	**24,250**	25,000
9⅜% Sinking Fund Debentures due 1990	**38,800**	40,000
8¼% Sinking Fund Debentures due 1993	**15,000**	15,000
10½% Debentures due 1984	**30,000**	30,000
10⅛% Promissory note due 1980	**5,000**	—
CanPac Leasing Limited		
Bank loans due 1976-1980	**18,781**	22,240
Cominco Ltd.		
8½% Sinking Fund Debentures due 1991	**64,850**	65,000
10⅞% Sinking Fund Debentures due 1995	**60,000**	—
Bank loans due 1977-1984	**27,660**	—
Subsidiaries of Cominco Ltd.		
Sundry indebtedness	**71,355**	85,240
Fording Coal Limited		
Bank loans due 1976-1978	**45,000**	60,000
Export-Import Bank of the United States		
6% loan repayable semi-annually to 1977	**3,029**	5,067
The Great Lakes Paper Company, Limited		
First Mortgage Bonds—		
4% Sinking Fund Bonds, series A, maturing 1975	**—**	3,750
8% Sinking Fund Bonds, series B, maturing 1989	**17,650**	18,200
11¼% Sinking Fund Bonds, series C, maturing 1995	**35,000**	—
Debentures—		
5¾% Serial Debentures, series C, maturing 1975	**—**	1,075
Marathon Realty Company Limited		
Sundry loans and mortgages payable 1976-2006	**56,138**	24,836
Bank loans due 1976-1983	**28,625**	28,000
PanCanadian Petroleum Limited		
Bank loans due 1977-1983	**39,946**	57,468
8⅛% Sinking Fund Secured Debentures due 1992	**25,000**	25,000
8¾% Sinking Fund Secured Debentures due 1992	**25,000**	25,000
Other companies	**7,734**	8,037
	1,099,073	827,737
Less: Long term debt maturing within one year	**122,420**	96,498
	$ 976,653	$731,239

Except where otherwise indicated, interest on bank loans fluctuates (in certain cases within defined limits) with the lender's prime commercial rate.

At December 31, 1975, foreign currency long term debt translated at current rates would be $88,935,000, which is $1,291,000 more than the amount at which it is carried above.

Annual maturities and sinking fund requirements for each of the five years following 1975 are: 1976, $122,420,000; 1977, $78,020,000; 1978, $82,907,000; 1979, $98,902,000; 1980, $38,439,000.

Notes to Consolidated Financial Statements

1. Capital Stock

Each preferred share, series A, is convertible at the option of the holder to November 1, 1977 into two common shares, and is redeemable at CPI's option at $20 per share.

In 1975 a total of 687,598 common shares was issued on conversion of preferred shares.

2. Pensions

At December 31, 1975 there were unfunded liabilities, determined by actuarial evaluations, of $79,500,000 which is being funded by equal annual payments to 1989 and $46,000,000 which is being funded by equal annual payments to 1992.

3. Commitments and Contingencies

At December 31, 1975 commitments for capital expenditures amounted to $168,000,000 and commitments under long term leases were estimated at $86,000,000.

At December 31, 1975 PanCanadian Petroleum had expended $26,800,000 on equipment and design with respect to an ammonia complex which has an estimated cost on completion in 1977 of $81,000,000. If PanCanadian is not successful in fulfilling the conditions requisite to the issuance of an industrial development permit by the Alberta government, management expects that it will be able to dispose of its present investment in the project without significant loss.

Other investments include advances to Tilden Iron Ore Company (participant in a cost sharing joint venture to produce iron ore pellets) by a subsidiary of Algoma Steel. The subsidiary is entitled to receive its share of pellets, estimated at 1.2 million gross tons per annum, and is committed to pay its 47 per cent share of Tilden's costs, including amounts sufficient to repay its share of that company's long term debt amounting to $4,200,000 in each of 1976 and 1977, $4,600,000 in 1978 and $3,000,000 in each of 1979 and 1980. Algoma Steel has entered into agreements under which it may be called upon to invest amounts in the subsidiary which would be available to meet such commitment of the subsidiary. At December 31, 1975, 47 per cent of Tilden's long term debt is $53,600,000.

The participants in the joint venture have entered into an agreement to expand production facilities by late 1979 subject to the fulfillment of certain conditions. To complete the expansion by the required time certain expenditures and commitments have been made and the subsidiary is committed at December 31, 1975 to provide $16,900,000 for such expenditures and commitments under certain circumstances. An interim line of credit has been arranged by the participants to assist in financing these expenditures and commitments and at December 31, 1975 the subsidiary's share of loans under this line of credit amounted to $3,000,000, repayment of which has been guaranteed by Algoma.

4. Directors' and Officers' Remuneration

In 1975, CPI had 14 directors and 6 officers. Remuneration paid directly to each group by CPI was $54,000 (1974—$47,000) and $180,000 (1974—$177,000) respectively. Three of the officers were also directors. In addition certain directors of CPI received remuneration from the undernoted subsidiaries in their capacities as directors or officers of those companies.

	1975	1974
Cominco	$222,000	$192,000
PanCanadian	112,000	103,000
Others, principally Algoma Steel	241,000	90,000

5. Anti-Inflation Legislation

The Company and certain of its subsidiaries are subject to controls on prices, profits, compensation and dividends instituted by the Federal Government in the Anti-Inflation Act effective October 14, 1975. The production of crude oil and natural gas and the rental of real property are exempt from the guidelines published under the Act.

6. Subsequent Events

In January 1976 Canadian Pacific Securities issued $35,000,000 of 9¾% Guaranteed Notes due in 1981.

Pursuant to an offer mailed to the shareholders of Steep Rock Iron Mines Limited on January 19, 1976, CPI acquired 5,454,275 common shares, or 67.6% of the outstanding stock, of Steep Rock at a price of $3.00 per share.

In March 1976 Algoma Steel filed a preliminary prospectus for an issue of Tax Deferred Preference Shares.

Five-Year Summary

	1971	1972	1973	1974	**1975**
	Figures in thousands, except amounts per share				
Consolidated Income					
Oil and gas	$ 10,640	$ 11,009	$ 18,649	$ 40,317	**$ 59,805**
Mines and minerals	7,506	11,467	20,176	48,723	**53,819**
Forest products	3,358	4,200	12,437	12,069	**1,772**
Iron and steel	—	—	—	14,172	**21,855**
Real estate	1,456	3,365	4,712	5,582	**7,662**
Hotels and food services	2,402	2,960	3,683	4,507	**3,330**
Finance	105	112	595	780	**1,374**
Other operations	—	—	—	(42)	**(409)**
Investment income	5,264	6,856	8,721	4,529	**(7,233)**
Income before extraordinary items	30,731	39,969	68,973	130,637	**141,975**
Extraordinary items	3,043	1,936	6,207	—	**—**
Net Income	$ 33,774	$ 41,905	$ 75,180	$ 130,637	**$ 141,975**
Dividends—Preferred shares	$ 4,705	$ 4,696	$ 4,674	$ 2,082	**$ 1,163**
—Common shares	23,718	23,727	27,650	35,641	**36,315**
Number of Shares Outstanding					
Common	50,120	50,135	53,972	58,040	**58,727**
Preferred	4,947	4,939	3,031	1,379	**1,035**
Per Common Share					
Income before extraordinary items	$ .52	$ .70	$ 1.28	$ 2.29	**$ 2.41**
Net income	.58	.74	1.40	2.29	**2.41**
Dividends	.4733	.4733	.53	.62	**.62**
Market price* —High			16¾	18	**17⅛**
(Toronto Stock Exchange)—Low			15	11⅜	**12⅜**
Price/earnings ratio—High			12	8	**7**
—Low			11	5	**5**
Investments at year end					
Portfolio	$224,360	$ 229,474	$ 276,735	$ 220,948	**$ 217,990**
Properties	962,384	1,018,615	1,099,559	1,697,696	**2,058,450**

*Stock first listed in 1973.

Canadian Pacific Investments Limited

Room 347, Windsor Station,
Montreal, Quebec
H3C 3E4

Principal Subsidiary Companies

Marathon Realty Company Limited
H. M. Pickard, Chairman

Toronto-Dominion Centre,
P.O. Box 375,
Toronto, Ontario
M5K 1K8

Canadian Pacific Hotels Limited
D. W. Curtis, Chairman and President

Royal York Hotel,
Toronto, Ontario
M5J 1E3

Pacific Logging Company Limited
W. M. Sloan, President

468 Belleville Street,
Victoria, British Columbia
V8W 2M3

Canadian Pacific Securities Limited
D. E. Sloan, President

Room 247, Windsor Station,
Montreal, Quebec
H3C 3E4

CanPac Leasing Limited
R. G. Hunkin, President

Suite 210, Place du Canada,
Montreal, Quebec
H3B 2N2

CanPac AgriProducts Limited
D. Corner, Chairman and President

421 King Street North,
Waterloo, Ontario
N2J 4E4

Commandant Properties, Limited
W. J. Stenason, President

Room 347, Windsor Station,
Montreal, Quebec
H3C 3E4

* **Cominco Ltd.**
F. E. Burnet, Chairman

200 Granville Square,
Vancouver, British Columbia
V6C 2R2

* **PanCanadian Petroleum Limited**
Robert W. Campbell, Chairman

One Palliser Square,
P.O. Box 2850,
Calgary, Alberta
T2P 2S5

* **The Algoma Steel Corporation, Limited**
David S. Holbrook, Chairman

503 Queen Street East,
Sault Ste. Marie, Ontario
P6A 5P2

* **The Great Lakes Paper Company, Limited**
C. J. Carter, President

P.O. Box 430,
Thunder Bay, Ontario
P7C 4W3

Fording Coal Limited
M. N. Anderson, President

Natural Resources Building,
205—9th Avenue S.E.,
Calgary, Alberta
T2G 0R4

CanPac Minerals Limited
M. N. Anderson, President

Natural Resources Building,
205—9th Avenue S.E.,
Calgary, Alberta
T2G 0R4

*† **Steep Rock Iron Mines Limited**
F. Raymond Jones, President

Atikokan, Ontario
P0T 1C0

† from February 1976

*A copy of the 1975 annual report of this company
can be obtained by writing to its Secretary at the address shown

Canadian Pacific Investments Limited—Annual Report 1975

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